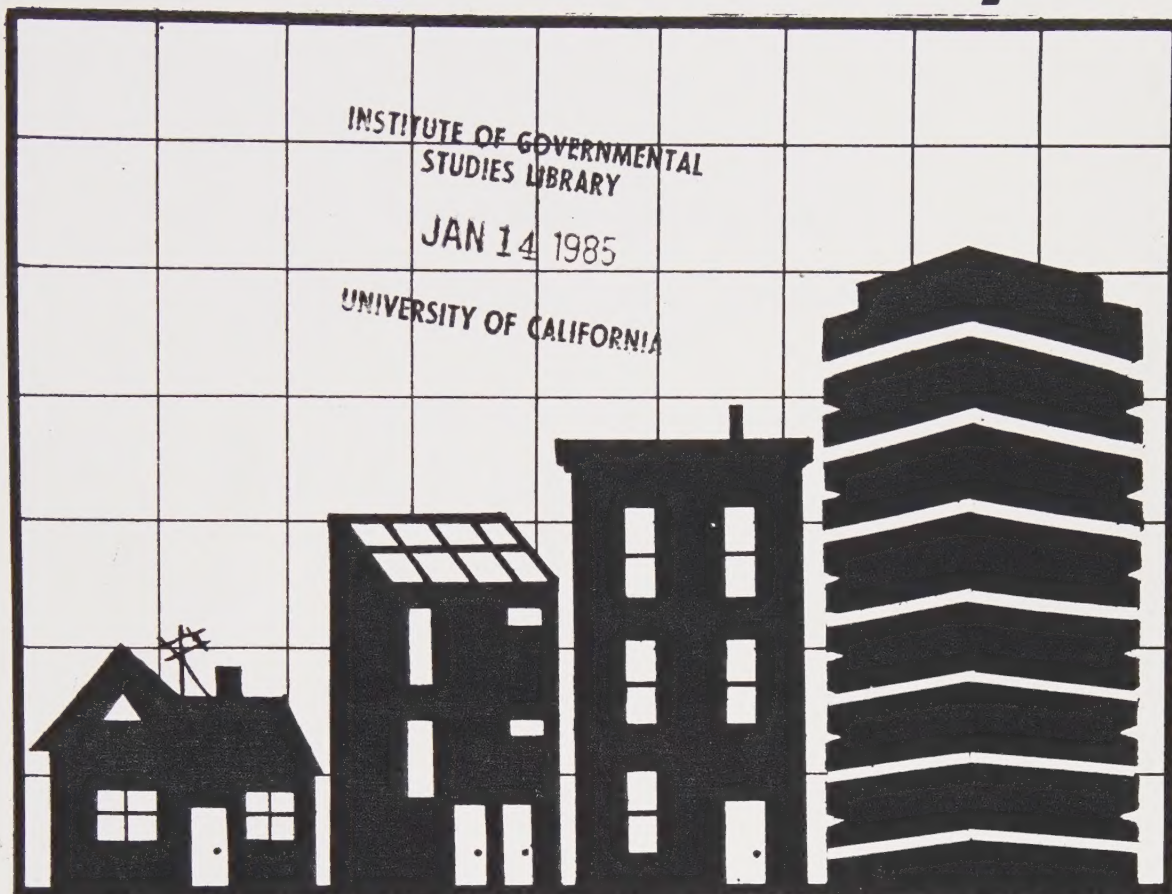



COLAB Housing Need Analysis



ALAMEDA COUNTY
CONTRA COSTA COUNTY
SAN RAMON VALLEY
MARCH 1982



MENKIN-LUCERO & Associates, Inc.



Digitized by the Internet Archive
in 2024 with funding from
State of California and California State Library

<https://archive.org/details/C123302589>

AB 2853
HOUSING NEED ASSESSMENT
FOR ALAMEDA & CONTRA COSTA COUNTIES
BY
MENKIN-LUCERO & Associates
FOR
Coalition of Labor & Business
for Alameda & Contra Costa Counties (COLAB)

March 1982

Reprints of the within
may be obtained at cost by
contacting COLAB at (415) 676-3272

MENKIN-LUCERO & Associates
1633 San Pablo Avenue
Oakland, California 94612
(415) 452-4696

TABLE OF CONTENTS

	<u>Page</u>
Introduction	1
Conclusions	3
Recommendations	6
Table 1: Alameda County, Range of Comparisons Between ABAG Housing Need and ML&a Housing Demand Allocations, 1980-1995	10
Table 2: Contra Costa County, Range of Comparisons Between ABAG Housing Need and ML&a Housing Demand Allocation, 1980-1985	11
Figure 1 : Housing Needs Shortfall: San Ramon Valley	12
Figure 2: Housing Needs Shortfall: Alameda and Contra Costa Counties	13
Discussion	
Part 1: Alameda/Contra Costa County totals	14
Part 2: San Ramon Valley of Contra Costa County	
Table 3: Existing Jurisdiction Boundaries, Contra Costa County: Housing Supply Estimated Increase 1980-1990	19
Table 4: Existing Jurisdictional Boundaries, Alameda County: Housing Supply Estimated Increase, 1980-1990	20
Table 5: Spheres of Influence Boundaries, Contra Costa County: Housing Supply Estimated Increase, 1980-1990	21
Table 6: Spheres of Influence Boundaries, Alameda County: Housing Supply Estimated Increase, 1980-1990	22
Table 7: Contra Costa County: Demolition Activity, Historic and Projected, 1970-1990	23
Table 8: Alameda County: Demolition Activity, Historic and Projected, 1970-1990	24

Table 9:	Population and Household Demand Projections for Alameda and Contra Costa Counties, 1980-1990	25
Table 10:	San Ramon Valley General Plan Area: Housing Supply Estimated Increase, 1980-1995	26
Map of San Ramon Valley	Current Residential Development Projects, March 1982	28
Table 11:	San Ramon Valley General Plan Area: Comparative Population and Household Projections, 1980-1995	29
Table 12:	San Ramon Valley General Plan Area, Housing Demand/Supply Comparison	30
Appendix A -	Methodology	A-1
Appendix B -	COLAB Housing Supply Questionnaire for 1980-1985	B-1
	- COLAB Housing Supply Questionnaire Sources by Jurisdiction	B-2
	- List of Reference Materials	B-4
Appendix C -	Biography of MENKIN-LUCERO & Associates, Inc.	C-1

INTRODUCTION

AB 2853 (Roos) requires that each local government should predict the housing need within its jurisdiction and include this total in the housing element of its general plan. To start the process, AB 2853 requires each council of government (ABAG in the Bay Area) to propose a number for each jurisdiction within the region. If a local government fails to act the ABAG estimate shall be used.

These projections are very important because:

- (1) It is doubtful if any development project which was beyond the total could be approved due to the provisions of Government Code 65860 (requiring consistency between land use and the General Plan); and
- (2) Other governmental agencies will size new urban infrastructure to these projections (such that any understatement will lead to inadequate infrastructure, and overstatement may lead to waste).

The Coalition of Labor and Business in Alameda and Contra Costa Counties (COLAB) originally commissioned this study because it recognized the importance of these projections and because the group had reason to question the ABAG numbers. The primary concerns about the ABAG needs projections were that the state had failed to provide funds to

study the question and ABAG had based its efforts on its Projections '79 report, the results which were shown to be low by the 1980 census. Many observers also felt that while Projections 1979 might be accurate on a regional basis they were probably inaccurate in the disaggregate (i.e. when broken down by jurisdiction).

The purpose of this report was to estimate the housing need in both the incorporated and unincorporated areas of Alameda and Contra Costa Counties from 1980 to 1990 (with emphasis on 1980 to 1985). A detailed assessment has been prepared for the San Ramon Valley Area of Contra Costa County for the period 1980-1995. The purpose of the separate assessment is to demonstrate the methodology which should be employed within each jurisdiction and as a "test" of the ABAG projections.

This report focuses on the amount of housing demand and the projected increase in supply in each jurisdiction studied. The discrepancy between supply and demand is defined here as "housing need". It is assumed that any material gap between supply and demand in each jurisdiction should be eliminated or housing shortages, increased housing prices and the jobs/housing imbalance will continue (as other jurisdictions accept more housing growth than might be projected).

As a major part of this work new population projection totals for each county have been developed. Limits of time

and funding prevented new population projections for each city but this report includes estimated needs for each jurisdiction based upon a statistical interpolation of County totals and five major factors. (See Tables 1 and 2). This interpolation (as with the ABAG projection) is no substitute for the detailed study presented for San Ramon.

CONCLUSIONS

The basic assumption of this study is that it is good social and economic policy to provide affordable housing for all current and projected residents of this and other areas. In order to meet this objective ML&a submits that three major elements must coexist:

- (1) Local governments must project actual supply and demand and plan enough densities/land for development to allow the economy to operate freely;
- (2) Adequate urban infrastructure to serve this estimated growth must be planned, approved and funded by special districts and other responsible agencies; and
- (3) Interest rates must decline and the supply of money for mortgages increased.

It is MENKIN-LUCERO & Associates' opinion that the present "housing crisis" arises from a failure to adequately provide

these three elements.

This report focuses upon the failure to meet the first objective. Obviously, failure to meet the first objective reinforces the failure to plan for adequate urban infrastructure. It is beyond the scope of this report to detail problems and solutions regarding interest rates, mortgage money and financing urban infrastructure. Suffice it to say that these other problems are also critical but that failure to plan for growth at the local level will prevent solution of the housing crises even if these other problems are solved. Simply lowering interest rates will not lower prices already inflated by the artificial housing scarcity fueled by the failure to fully satisfy elements 1 and 2, above. Similarly, failure to plan for, approve and finance needed infrastructure will continue to reinforce scarcities even if adequate lands are planned and even if monetary problems abate.

MENKIN-LUCERO & Associates believes that this study has highlighted a number of critical issues. Updated population projection totals for the whole of both Alameda and Contra Costa reveal that the ABAG population projections of Projections '79 need to be updated. Those projections clearly should not be passed through by adopting ABAG's draft housing needs assessment.

MENKIN-LUCERO & Associates believes that this report documents an existing and ever increasing disparity between

housing demand and supply within both Alameda and Contra Costa Counties. There may be time to modify this course but this report, then, must be used as a first step in realistically addressing and rectifying the disparity.

The second major conclusion is that the actual (1980) housing shortage is far greater than had been previously estimated. This means that most jurisdictions have so significantly underestimated their needs that they have failed to provide even for current residents, not to mention persons relocating in a jurisdiction as a result of job growth. This has put pressure on other jurisdictions to accept more housing than would be expected.

The third major conclusion is that for each 100 housing units now planned in the two counties, another 61 units are needed simply to keep pace with demand to 1985. The situation to 1990 is far more serious and should be faced now (see Figure 2, page 13). In order to meet this critical need many will need to reshape their attitudes toward growth and a good faith partnership between the private sector and governments at all levels must occur. Given build out rates, jurisdictions will need to approve housing in excess of the units "needed" by 1985 or 1990.

The fourth conclusion involves the San Ramon Valley directly, but with indirect implications throughout both counties. The planned employment growth in the San Ramon Valley is such that without a further significant increase in

authorized/planned housing stock in that area a severe jobs/housing imbalance will occur by 1990 (See Figure 1, page 12). Failure to recognize this problem is part of what has happened in Santa Clara County.

Recommendations

There are several practical problems presented by the AB 2853 process which have been identified by this study. First, the bill did not suggest a methodology and apparently did not contemplate the studies urged by this report. Second, the bill may assume that each jurisdiction will be both willing and able to accept its projected need. Third, the bill may propose too short a time period by limiting inquiry to 1985. Fourth, the bill assumes that each jurisdiction will be able to identify a set number, that this number will be right and that the number selected will actually occur. Fifth, the bill should provide any conflict reconciliation mechanism to reflect the reality that many jurisdictions probably are underestimating their needs, while other jurisdictions are overstating their needs and yet other jurisdictions are growing rapidly.

Despite these issues, the bill is very positive because it does focus attention at the heart of a problem which is nearing crisis proportions. We assume here that local governments and ABAG will wish to proceed in good faith. In doing so the above process problems must be kept in mind.

The within detailed study of countywide totals in both

Alameda and Contra Costa Counties proved ABAG's "needs" projections for those jurisdictions to be too low. This report has also identified an important short-term and a very significant long-term shortfall in meeting housing needs. It is recommended that each jurisdiction within the counties studied (and throughout the State) must undertake the type of studies done here for the San Ramon Valley. These study results should then be coordinated with other jurisdictions to make sure that the total projected needs for the whole area are met. Adjustments will need to be made between those jurisdictions accepting less growth and those willing to accept more. In the meantime ABAG should update its own "Projections '79" to conform to the 1980 census and emerging trends.

As previously noted, MENKIN-LUCERO & Associates is convinced that the ABAG countywide projections are low and cannot be accepted. There is also some concern that the ABAG "projections" in the disaggregate (i.e. for each jurisdiction) are goals rather than actual projections. We submit that the Roos bill requires a statement of actual projected need and not goals. Given the apparent confusion, the time constraints and the financial limitations, each local jurisdiction should carefully avoid tying its hands until the studies suggested have been funded and completed. Under these circumstances, it is recommended that each jurisdiction state its "need" in the form of a range (rather than a

single total). In establishing this range each local govern-
ment should consider all available data (including local
history, attitudes and trends).

MENKIN-LUCERO & Associates did not prepare a detailed housing demand study for each jurisdiction as was done here for the San Ramon Valley. On the other hand, neither did ABAG. However, MENKIN-LUCERO & Associates was asked to and did a mathematical projection of estimated need in each jurisdiction based upon supply, market potential, infrastructure potential, demolition activity, land availability and the unmet countywide need. These estimates are presented and contrasted with the ABAG estimates for each jurisdiction in each county in Tables 1 and 2. The totals for each county have been studied but the local jurisdiction projections should be used with the same care as are the ABAG projections because both are based upon mathematical projections and not studies.

It is further recommended that in establishing its 1985
"needs" in the form of a range, each jurisdiction should
attempt to look beyond 1985 and should clearly state in their
housing element that in order to meet housing needs to 1985
and beyond, more housing must be approved than is "needed".
This latter suggestion, of course, results from the practical reality that it takes significant time for any given project to be financed, built and sold.

Finally, it is recommended that each community in fact

prepare to accept its own projected share of housing growth
and to the extent it cannot or will not, other communities
must be ready to accept more growth than the literal "need"
projected. This has historically been the case and may not
change. This observation points out the need for a sub-
regional evaluation of need-ability in order to assure an
adequate supply of housing by 1985 and beyond.

TABLE 1:

ALAMEDA COUNTY, RANGE OF COMPARISON BETWEEN
ABAG HOUSING NEED AND ML&A HOUSING DEMAND ALLOCATIONS,

1980-1985¹

Jurisdiction	ABAG Projected Increase in Housing Need	ML&a New Housing Demand Estimate ²
Alameda	3,724	2,000
Albany	848	650
Berkeley	1,639	3,000
Emeryville	21	800
Fremont	8,565	6,430
Hayward	5,287	3,850
Livermore	2,525	3,800
Newark	1,804	1,450
Oakland	3,984	7,350
Piedmont	62	10
Pleasanton	2,871	2,500
San Leandro	863	1,150
Union City	2,028	2,650
Incorporated Total	34,221	35,640
Unincorporated Total	4,991	7,900
County Total	39,212	43,540

- (1) In reviewing new development proposals jurisdictions should also look to demand after 1985 and actual build out rates of already approved projects (rather than just totals approved and 1985 needs). See the analysis for the San Ramon Valley for the proper methodology.
- (2) The county totals were studied but the numbers for each jurisdiction are mathematical projections. The MENKIN-LUCERO & Associates mathematical estimates of housing demand for the cities and county unincorporated area have been prepared in a manner different from the demographic method (see Appendix A) used to develop the county total. Five major factors were weighed and utilized. These were (1) supply considerations, (2) market potential, (3) infrastructure potential, (4) land availability, and (5) allocation of county-wide unmet need for 1980. It should be emphasized that if time and funding existed the best course would be to employ the county totals and San Ramon methodologies in each jurisdiction.

Source: MENKIN-LUCERO & Associates, Association of Bay Area Governments

TABLE 2:

CONTRA COSTA COUNTY, RANGE OF COMPARISON BETWEEN ABAG
HOUSING NEED AND ML&A HOUSING DEMAND ALLOCATIONS,

1980-1985¹

Jurisdiction	ABAG Projected Increase in Housing Need	ML&a New Housing Demand Estimate ²
Antioch	4,829	3,900
Brentwood	1,073	850
Clayton	940	750
Concord	3,281	4,450
El Cerrito	295	650
Hercules	2,269	2,150
Lafayette	230	450
Martinez	2,123	3,550
Moraga	1,255	1,000
Pinole	340	1,000
Pittsburg	2,499	3,400
Pleasant Hill	1,154	3,650
Richmond	2,616	3,700
San Pablo	1,489	1,400
Walnut Creek	2,331	3,000
Incorporated Total	26,724	33,900
Unincorporated Total	16,032	17,800
County Total	42,756	51,700

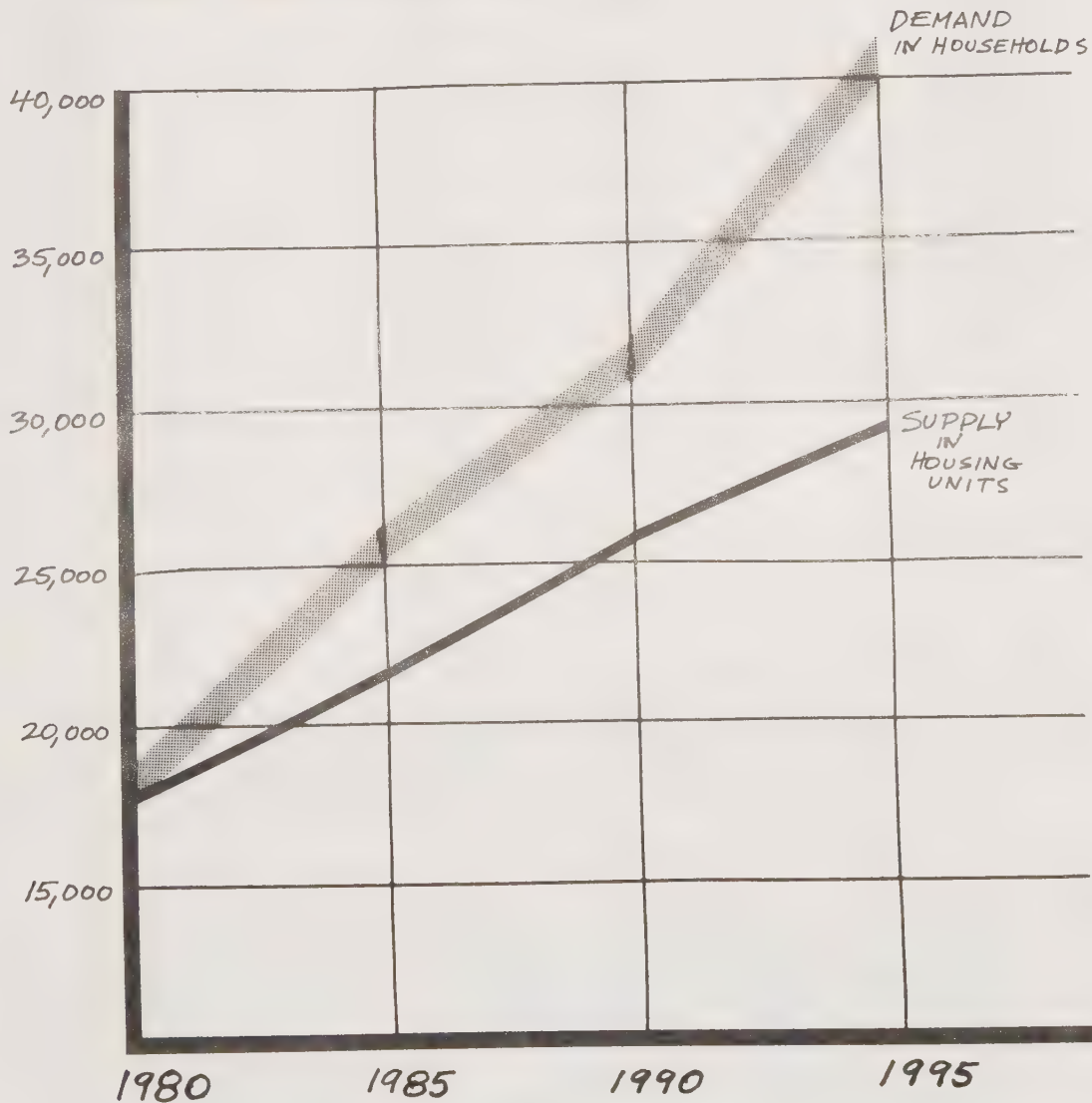
- (1) In reviewing new development proposals jurisdictions should also look to demand after 1985 and actual build out rates of already approved projects (rather than just totals approved and 1985 needs). See the analysis for the San Ramon Valley for the proper methodology.
- (2) The county totals were studied but the numbers for each jurisdiction are mathematical projections. The MENKIN-LUCERO & Associates mathematical estimates of housing demand for the cities and county unincorporated area have been prepared in a manner different from the demographic method (see Appendix A) used to develop the county total. Five major factors were weighed and utilized. These were (1) supply considerations, (2) market potential, (3) infrastructure potential, (4) land availability, and (5) allocation of county-wide unmet need for 1980. It should be emphasized that if time and funding existed the best course would be to employ the county totals and San Ramon methodologies in each jurisdiction.

Source: MENKIN-LUCERO & Associates, Association of Bay Area Governments

FIGURE 1

Housing Needs Shortfall

San Ramon Valley

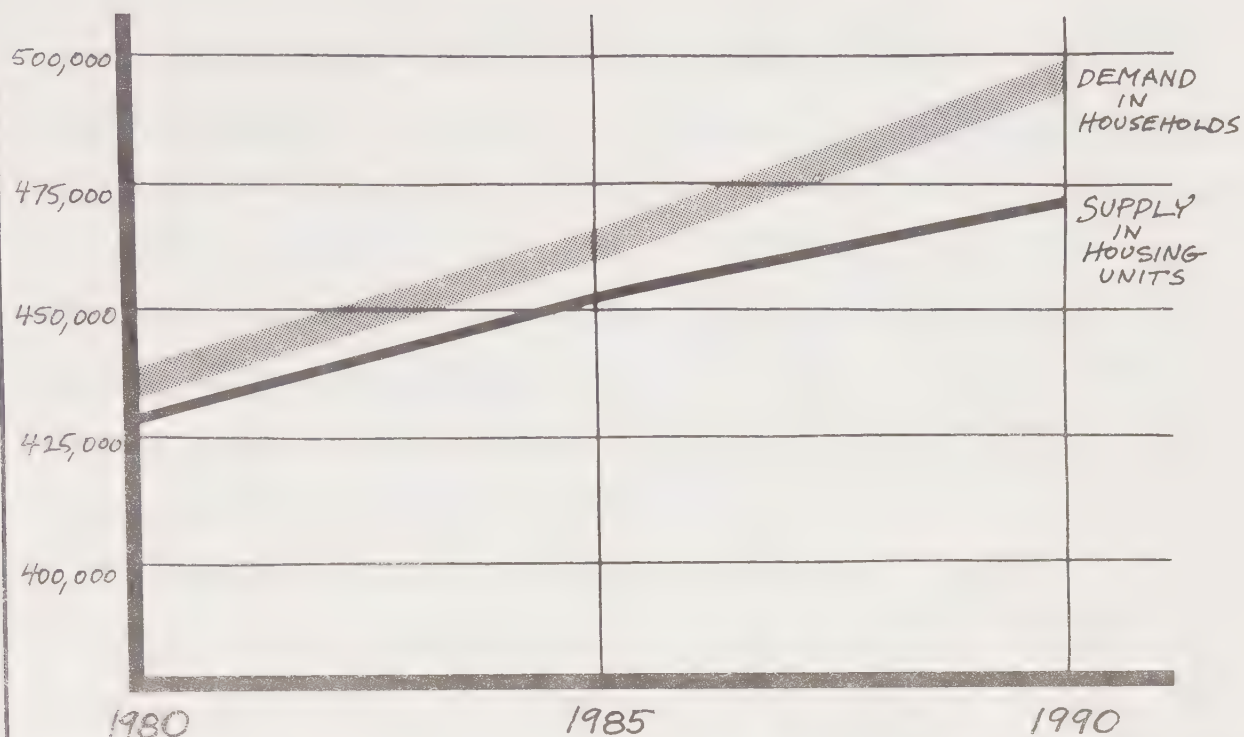


Note: This total includes existing housing stock and new supply planned for constructions.

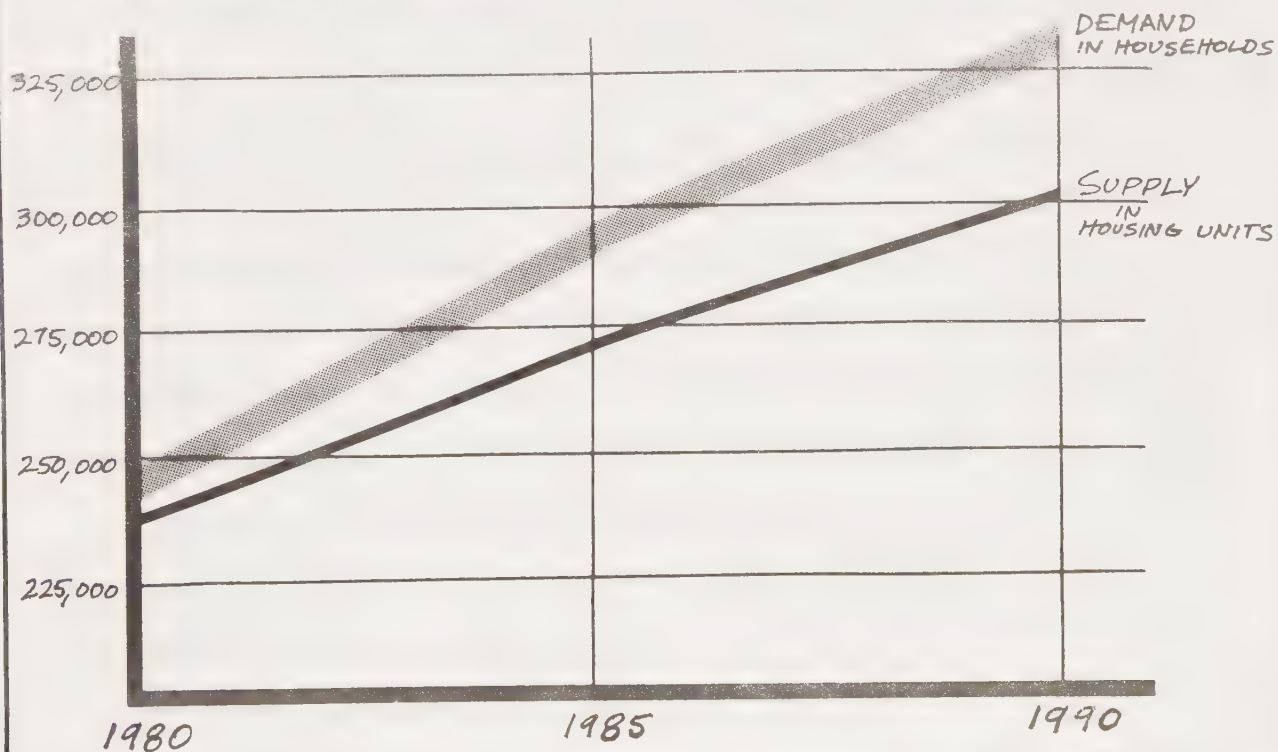
Prepared by: Menkin-Lucero & Associates - March 1982

Alameda

FIGURE 2



Contra Costa



Note: This total includes existing housing stock and new supply planned for construction.

DISCUSSION

PART I: ALAMEDA/CONTRA COSTA CITIES TOTALS

METHODOLOGY OVERVIEW

ML&a analyzed both total housing supply and total housing demand for both counties. This was accomplished through use of a structured written survey to determine supply (pending projects) and separate computer analyses of housing demand based on data derived from the 1970 and 1980 Federal Census and mid-decade special census, and special surveys and studies on anticipated employment growth. The use of this two-part approach allowed ML&a to analyze the potential for any housing supply shortfall and examine short and long term trends in housing demand on a countywide basis. For a more detailed description of ML&a's methodology, see Appendix A.

Supply/Demand Analysis: County, City, and Unincorporated Area

A structured written survey to determine supply was administered to all local government planning departments and was used to determine how much housing would most likely be built from 1980 to 1985 and 1985 to 1990. Those estimating were asked to assume normal market conditions. Historic demolition rates were also examined so that each jurisdiction could estimate (for response to survey) future demolition activity and thus calculate the net increase in its total

housing supply. This survey yielded the data shown in Tables 3-8, pages 20-25.

Tables 3 and 4 show the estimated increase in the housing supply for Contra Costa and Alameda Counties and each city according to existing city boundaries. This encompasses April 1980 through March 1985, the relevant time period for AB 2853 purposes. Once adjusted downward for the anticipated demolition activity noted in Tables 7 and 8, these countywide "supply" figures are 30,508 units for Contra Costa County and 26,321 units for Alameda County.

The figures presented in Table 9 reflect ML&a's projection of the housing demand most likely to occur in both counties. ML&a believes that this number of housing units could readily be absorbed if the appropriate mix of units were constructed and if a favorable financial climate existed. The present economic situation should not constrict projections because job growth is not slowing and housing supply tends to be provided in cycles (i.e. with rapid production following severe declines in production). Tables 1, 2 and 9 show a demand in 1985 for 51,400 additional housing units in the entire Contra Costa County and 45,510 in the entire Alameda County, including the cumulative unmet need in 1980. These projections are shown graphically on Figures 2, page 13.

When ML&a's projected housing demand and local government's own planned/approved housing supply estimates are compared, the supply figures invariably emerge on the low

side. There is a gap of nearly 20,000 units in Contra Costa County and over 17,000 units in Alameda County for the five year period of 1980 to 1985 alone.

These county totals differ from ABAG's estimates for several principal reasons. ML&a's projections did not rely on the Projections '79 series as a base; they reflect a different approach for calculating 1980 unmet needs; they are based on a local demographic projection method, not regional allocations; and they utilize more recent federal census and more special census data on male and female household head patterns than any previous study.

It is important to note that females being the head of their own family or household increased rapidly in the two counties from 1970 to 1980. For example, from 1975 to 1980 in Contra Costa County, female headship increased 20% above the increase in the number of women. This female head of household increase reflects their greater participation in the labor force, lowered birth rates, increased day care opportunities, and higher divorce rates.

Another significant factor which contributed to ML&a's greater demand projections for the two counties studied has been the continued development of large office parks in Concord and Walnut Creek and the major redevelopment efforts in downtown Oakland. These centers have drawn new industries and companies to the two counties, thereby contributing to the new housing demand. Other announced employment centers

such as the Bishop Ranch in San Ramon and near Dublin in Alameda County have also affected the housing demand projections. None of these changes were apparently contemplated by ABAG's Projections '79.

PART II: SAN RAMON VALLEY OF CONTRA COSTA COUNTY

Supply/Demand Analysis: San Ramon Valley

A detailed analysis of housing supply and demand was performed for the San Ramon Valley as a prototype of the analysis which should occur within each jurisdiction to develop useable "need" estimates.

Supply totals were generated using the same methodology described earlier, plus by the development of a map and listing of all approved or actively proposed housing projects in the planning area; and a time table was then prepared estimating how these projects would develop during 1980 to 1995. This information is shown in Table 10.

Housing demand for the San Ramon Valley was projected to 1995 (not just 1985) based on 1975 Special Census and 1980 Federal Census data and a review of significant employment growth for the Interstate 680 corridor from Walnut Creek to the south county border with Dublin in Alameda County. These results were contrasted with ABAG Projections '79 estimates and the November 1974 "Population Background Report for the Greater San Ramon Valley Planning Area" prepared by the

Contra Costa County Planning Department. Table 11 summarizes the results of this demand analysis and these comparisons.

A comparison of the supply and demand projections yields a significant shortfall of supply (particularly in the long run). (See Table 12). During the 1980 to 1985 period this shortfall is estimated at 2,645 units and by 1995 rises to over 11,300 units. Despite significant development activity, the existing appeal of the San Ramon Valley as a place to live, the planned major job growth in the area and the "build out" of the majority of the central county area all have contributed to the significant demand projected and thus to the shortfall of the housing supply. This data is projected graphically on Figure 1, page 12.

If other jurisdictions in the Central Contra Costa County and Southern Alameda County areas do not plan for the actual demand in those areas, there will be increased pressure on the San Ramon Valley well beyond the totals projected here. Some of this unmet need might also be pushed to Eastern Contra Costa County and neighboring counties.

TABLE 3: EXISTING JURISDICTION BOUNDARIES
CONTRA COSTA COUNTY: HOUSING SUPPLY ESTIMATED INCREASE, 1980-1990

Jurisdiction	<u>Time Period</u>		
	April 1980 to December 31, 1981	January 1, 1982 to March 30, 1985	April 1, 1985 to April 1, 1990
Antioch	669	1,000	2,000
Brentwood	111	300	700
Clayton	76	150	120
Concord	611	1,950	3,400
El Cerrito	67	200	150
Hercules	147	1,600	1,700
Lafayette	110	150	250
Martinez	565	2,000	2,000
Moraga	71	600	600
Pinole	63	415	600
Pittsburg	881	700	800
Pleasant Hill	555	2,900	1,450
Richmond	543	1,702	3,685
San Pablo	444	500	400
Walnut Creek	506	800	1,100
Unincorporated Area	3,959	6,680	12,000
Total	9,378	21,647	30,955

Source: Individual Jurisdictions based on a COLAB sponsored questionnaire.

Prepared by MENKIN-LUCERO & Associates, Inc.

NOTE: The information in this table was developed from a questionnaire submitted to the jurisdictions and followed by personal or telephone interview with staff. It reflects the jurisdictions' own estimate of housing supply increase over the specified period.

TABLE 4: EXISTING JURISDICTION BOUNDARIES

ALAMEDA COUNTY: HOUSING SUPPLY ESTIMATED INCREASE, 1980-1990

Jurisdiction	<u>Time Period</u>		
	April 1980 to December 1, 1981	January 1, 1982 to March 30, 1985	April 1, 1985 to April 1, 1990
Alameda	281	600	2,000
Albany	3	400	300
Berkeley	152	600	250
Emeryville	112	583	1,000
Fremont	1,601	4,779	5,740
Hayward	520	2,700	3,000
Livermore	386	950	1,050
Newark	70	1,400	1,000
Oakland	1,509	2,650	2,650
Piedmont	4	5	5
Pleasanton	247	850	1,450
San Leandro	494	750	1,625
Union City	680	2,000	500
Unincorporated Area	1,290	2,000	3,000
Total	7,349	20,267	23,570

Source: Individual Jurisdictions based on a COLAB sponsored questionnaire.

Prepared by MENKIN-LUCERO & Associates, Inc.

NOTE: The information in this table was developed from a questionnaire submitted to the jurisdictions and followed by personal or telephone interview with staff. It reflects the jurisdictions' own estimate of housing supply increase over the specified period.

TABLE 5: SPHERES OF INFLUENCE BOUNDARIES¹CONTRA COSTA COUNTY: HOUSING SUPPLY ESTIMATED INCREASE, 1980-1990

Jurisdiction	<u>Time Period</u>		
	April 1980 to December 31, 1981	January 1, 1982 to March 30, 1985	April 1, 1985 to April 1, 1990
Antioch	669	1,500	3,000
Brentwood	111	350	1,000
Clayton	76	350	720
Concord	611	2,000	3,500
El Cerrito	67	200	150
Hercules	147	1,600	2,300
Lafayette	110	150	250
Martinez	565	2,800	2,800
Moraga	71	600	600
Pinole	63	415	600
Pittsburg	881	1,200	1,500
Pleasant Hill	555	2,900	1,450
Richmond	543	1,702	3,685
San Pablo	444	500	400
Walnut Creek	506	1,000	1,200
Unincorporated Area	3,959	4,380	7,800
Total	9,378	21,647	30,955

1. Existing city limits plus development in areas to be annexed over the specified time periods. Growth estimates for the annexed areas have been subtracted from the unincorporated area totals to avoid double counting.

Source: Individual Jurisdictions based on a COLAB sponsored questionnaire.

Prepared by MENKIN-LUCERO & Associates, Inc.

NOTE: This table can be directly compared to ABAG's Housing Need Table C-3. The information in this table was developed from a questionnaire submitted to the jurisdictions and followed by personal or telephone interview with staff. It reflects the jurisdictions' own estimate of housing supply increase over the specified period.

TABLE 6: SPHERES OF INFLUENCE BOUNDARIES¹ALAMEDA COUNTY: HOUSING SUPPLY ESTIMATED INCREASE, 1980-1990

Jurisdiction	<u>Time Period</u>		
	April 1980 to December 1, 1981	January 1, 1982 to March 30, 1985	April 1, 1985 to April 1, 1990
Alameda	281	600	2,000
Albany	3	400	300
Berkeley	152	600	250
Emeryville	112	583	1,000
Fremont	1,601	4,779	5,740
Hayward	520	2,700	3,000
Livermore	386	1,000	1,100
Newark	70	1,400	1,000
Oakland	1,509	2,650	2,650
Piedmont	4	5	5
Pleasanton	247	900	1,500
San Leandro	494	750	1,625
Union City	680	2,000	500
Unincorporated Area	1,290	1,900	2,900
Total	7,349	20,267	23,570

1. Existing city limits plus development in areas to be annexed over the specified time periods. Growth estimates for the annexed areas have been subtracted from the unincorporated area totals to avoid double counting.

Source: Individual Jurisdictions based on a COLAB sponsored questionnaire.

Prepared by MENKIN-LUCERO & Associates, Inc.

Note: This table can be directly compared to ABAG's Housing Need Table C-2. The information in this table was developed from a questionnaire submitted to the jurisdictions and followed by personal or telephone interview with staff. It reflects the jurisdictions' own estimate of housing supply increase over the specified period.

TABLE 7: CONTRA COSTA COUNTY DEMOLITION ACTIVITY, HISTORIC AND PROJECTED, 1970-1990

Jurisdiction	<u>Time Period</u>				
	April 1, 1970 to December 31, 1974	January 1, 1975 to March 30, 1980	April 1, 1980 to March 30, 1985	April 1, 1985 to March 30, 1990	Total for 1980-1990
Antioch	23	29	15	15	30
Brantwood	5	5	5	5	10
Clayton	1	0	2	2	4
Concord	117	48	50	50	100
El Cerrito	108	17	15	15	30
Hercules	52	9	0	0	0
Lafayette	11	9	10	10	20
Martinez	18	16	50	50	100
Moraga	0	0	0	0	0
Pinole	5	7	5	5	10
Pittsburg	227	141	80	60	140
Pleasant Hill	47	81	55	35	90
Richmond	564	131	25	25	50
San Pablo	112	103	125	100	225
Walnut Creek	2	25	10	15	25
Unincorporated Area	103	35	70	50	120
Total	1,338	718	517	437	954

Source: California State Department of Finance: Individual Jurisdiction based on a COLAB sponsored questionnaire.

Prepared by MENKIN-LUCERO & Associates, Inc.

TABLE 8: ALAMEDA COUNTY DEMOLITION ACTIVITY, HISTORIC AND PROJECTED, 1970-1990

Jurisdiction	<u>Time Period</u>				
	April 1, 1970 to December 31, 1974	January 1, 1975 to March 30, 1980	April 1, 1980 to March 30, 1985	April 1, 1985 to March 30, 1990	Total for 1980-1990
Alameda	152	8	75	75	150
Albany	34	1	10	10	20
Berkeley	423	19	25	25	50
Emeryville	17	0	0	0	0
Fremont	82	50	40	40	80
Hayward	136	130	100	100	200
Livermore	102	16	25	25	50
Newark	2	4	25	25	50
Oakland	3,107	895	750	750	1,500
Piedmont	2	0	5	5	10
Pleasanton	131	10	15	15	30
San Leandro	120	188	75	75	150
Union City	26	20	25	30	55
Unincorporated Area	161	98	125	125	250
Total	4,495	1,439	1,295	1,300	2,595

Source: California State Department of Finance, Individual Jurisdictions based on a COLAB sponsored questionnaire.

TABLE 9 : POPULATION AND HOUSEHOLD DEMAND PROJECTIONS FOR
ALAMEDA AND CONTRA COSTA COUNTIES, 1980-1990

ALAMEDA COUNTY

Source	Population			Households		
	1980	1985	1990	1980	1985	1990
MENKIN-LUCERO & Associates	1,105,379 ³	1,144,107	1,175,065	433,479 ¹	469,632 ¹	495,697 ¹
State Population Research Unit Second Interim Revision Series	1,105,379 ³	1,125,200	1,152,900	N.A.	N.A.	N.A.
ABAG Projections, 1979	1,116,477	1,156,421	1,181,518	430,597	461,994	491,812

1. Includes 1980 unmet need of 7,387 households.

CONTRA COSTA COUNTY

Source	Population			Households		
	1980	1985	1990	1980	1985	1990
MENKIN-LUCERO & Associates	656,380 ³	735,112	811,688	248,295 ²	293,216 ²	335,130 ²
State Population Research Unit Second Interim Revision Series	656,380 ³	732,400	799,800	N.A.	N.A.	N.A.
ABAG Projections, 1979	642,951	702,701	750,509	238,122	273,698	302,877

2. Includes 1980 unmet need of 6,761 households. 3. 1980 Federal Census figure.

Source: MENKIN-LUCERO Associates, Inc.; Association of Bay Area Governments

Note: This table compares MENKIN-LUCERO & Associates' population and housing demand projections with those of other existing and available projection series, and is included only for reference purposes. The State and ABAG are currently revising their county level forecasts, and ABAG has already benchmarked their information to the 1980 Federal Census despite the differences shown in this table.

TABLE 10: SAN RAMON VALLEY GENERAL PLAN AREA:
HOUSING SUPPLY ESTIMATED INCREASE, 1980-1995

Map Key	Development	Total Number of Units	April 1, 1980 to March 30, 1985	April 1, 1985 to March 30, 1990	April 1, 1990 to March 30, 1995
1	Peters Ranch	396	396	-	-
2	Safeway Condos	104	104	-	-
3	Norris Canyon Condo.	240	240	-	-
4	Twin Creeks Hills Units (1-5)	715	600	115	-
5	Twin Creeks Hills Unit 6	53	53	-	-
6	Twin Creeks Apts.	44	44	-	-
7	Alcosta Condos.	225	225	-	-
8	F.E.M. Properties	27	27	-	-
9	Tangerine Ct.	20	20	-	-
10	Kreemco	132	132	-	-
11	Alcosta Blvd.	150	150	-	-
12	Inverness Park Unit 2 & 3	98	98	-	-
13	Vista San Ramon	275	240	35	-
14	Woodvalley	300	300	-	-

Table 10 continued

Map key	Development	Total Number of Units	April 1, 1980 to March 30, 1985	April 1, 1985 to March 30, 1990	April 1, 1990 to March 30, 1995
15	No. Dougherty Hills	2,200	300	1,000	900
16	Imperial	186	186	-	-
17	Borez Property	240	240	-	-
18	Crow Canyon Heights	116	116	-	-
19	Harper	151	151	-	-
20	Blackhawk	1,784	750	750	284
21	Sycamore Plan	1,850	-	750	1,100
22	Miscellaneous	1,500	-	600	900
Total		10,806	4,372	3,250	3,184

Source: MENKIN-LUCERO & Associates, Inc.; Contra Costa County Planning Department; Individual property owners

Note: The listing of projects in this table and the timing of project development reflect ML&a's integration of information from Contra Costa County Planning Department staff, the 1977 San Ramon Valley Area General Plan and individual developers. Please see the accompanying map for the location of these projects.

San Ramon Valley Current Residential Development Projects March, 1982



TABLE 11: SAN RAMON VALLEY GENERAL PLAN AREA
COMPARATIVE POPULATION AND HOUSEHOLD PROJECTIONS, 1980-1995

Source of Projection	Time Period			
	1980	Projected Population 1985	1990	1995
1977 San Ramon Valley Area General Plan ¹				
- Medium Projection	52,000	65,500	79,900	N.A.
- High Projection	62,500	81,700	102,600	N.A.
ABAG Projections 1979	53,631	65,525	72,263	76,067
MENKIN-LUCERO & Associates, Inc.	57,307 ²	74,840	92,716	110,834
Source of Projection	Projected Households			
	1980	1985	1990	1995
ABAG Projections 1979	17,982	23,255	26,762	28,330
MENKIN-LUCERO & Associates, Inc.	18,375 ²	25,392	32,827	40,544

1. The low projection was not shown because its population projection for 1990 was actually less than the official 1980 Federal Census figure.
2. Total 1980 Federal Census Figure for the three Census Designated Unincorporated communities of Alamo, Danville and San Ramon. This area is actually smaller in population and geographic size than the entire San Ramon Valley Planning Area, but is the best statistical benchmark currently available.

Source: MENKIN-LUCERO & Associates, Inc., Association of Bay Area Governments, and Contra Costa County Planning Department

TABLE 12: SAN RAMON VALLEY GENERAL PLAN AREA:
HOUSING DEMAND/SUPPLY COMPARISON

Housing Factor	1980-1985	Time Period 1985-1990	1990-1995	Total 1980-1995
Projected Demand by MENKIN-LUCERO & Associates	7,017	7,435	7,717	22,169
Projected Supply ¹	4,372	3,250	3,184	10,806
Projected Housing Shortfall	- 2,645	- 4,185	- 4,533	- 11,363

1. These figures came from Table 13 of this report and reflect the timing of project development according to ML&a's integration of information from Contra Costa County Planning Department staff, the 1977 San Ramon Valley Area General Plan and individual developers.

Source: MENKIN-LUCERO & Associates, Inc.; Contra Costa County Planning Department; Individual property owners

Appendix A

Methodology

This study involved two separate methodological approaches to development of the housing supply increases and projections of housing demand. The following explains this in more detail than is found in the main text of this report.

Housing Demand Approach

MENKIN-LUCERO & Associates employs the cohort-survival technique to derive its projections of housing demand. This is facilitated through COHORT I, a proprietary computer model developed by ML&a. The model provides a means of projecting by one or five-year periods the following characteristics of a geographic area:

- Population
- Labor Force
- Demand for New Housing
- Household Heads by Income
and by type of tenure
(Owner or Renter)

These projections can be prepared in terms of age, sex, and race if necessary. The COHORT I model is sensitive and responsive to the unique demographic and market factors relating to the area for which projections are required, and has proven its accuracy in previous applications. This has included local government areas challenging the 1980 Federal Census counts and private clients seeking market area projections. ML&a's population projections have been within 0.5 to 2.5 percent of the final census counts.

Cohort-survival is one of several methods used by demographers and planners to forecast total future population change and the composition of an area's population. In turn, this population information is eventually used to predict household formation and resultant housing demand.

The cohort-survival technique is based on historic and current population data which is separated into sex and age cohorts, usually in five-year intervals. Age/sex population cohorts for a base year are the building blocks from which the projections are derived. The same age/sex cohorts are used for deriving projections of Labor Force and Household Heads.

In addition to the five-year age/sex cohorts developed for a base year, COHORT I uses six other demographic components in projecting Housing Demand, as follows:

1. Death or Survival Rates;
2. Birth or Age-Specific Fertility Rates;
3. Net Migration by Age and Sex;
4. Labor Force Participation Rates;
5. Household Headship Rates; and
6. Household Income by Own/Rent and by Sex and Selected Age of the Household Head.

The unmet housing demand for 1980 was calculated based upon the reduction in demand to be a head of household experienced by each male five year age and sex cohort from 1975 to 1980. This reduction reflected a lessened opportunity to purchase or rent a housing unit during the five year period and created many households with two or more unrelated individuals living together for economic reasons or because of a lack of available housing.

Housing Supply Approach

To estimate the number of new housing units to be constructed in Alameda and Contra Costa counties, between 1980 and 1985, and between 1985 and 1990, ML&a administered questionnaires to each city and county planning department in the two counties.

The questionnaire sought data and estimates in three areas: demolition activity, new housing construction, and annexation.

To estimate demolition activity, planning officials were asked to compare the actual annual average of demolitions for 1970 to 1980 derived from State Department of Finance records with their own records of demolition activity. Respondents were asked if the 1970 to 1980 annual average was representative of the period. This was to see if the annual average was biased by a few years of unusually high or low levels of demolition activity.

With this in mind, respondents were asked to estimate the annual average for the 1980 to 1985 period and the 1985 to 1990 period. For each city and county these estimates were multiplied by five for each period and are shown in Tables 5 and 6. The total number of demolitions for each county was computed by adding the estimates for each city and unincorporated area.

The number of housing units constructed between 1980 and 1985, and 1985 and 1990 was estimated by first asking for the actual number of housing units constructed from April 1, 1980 to December 31, 1981. Secondly, the number of outstanding building permits at the time of the questionnaire was asked for. Thirdly, the respondents were asked for an estimate of the number of

additional units (other than those outstanding) they thought might be built by April 1, 1985. For the total number of units constructed between 1980 and 1985, these three figures were summed and totaled by county.

Beyond this, officials were asked to estimate the number of units to be built between April 1985 and April 1990. Depending on local circumstances, respondents necessarily used different assumptions and criteria in making their estimates. The greatest constraint to making confident estimates was the uncertainty of future market conditions. If respondents gave a range based on different assumptions of market conditions, an average of the most optimistic and the most pessimistic estimates was derived.

To insure that housing construction that would occur in future annexed lands was not counted in both the cities and the unincorporated area, planning officials were asked to distinguish between those within the present jurisdiction and those within the city's sphere of influence. This was then checked with those persons making the county estimates to see if they were taken into account. If necessary these were then subtracted from the unincorporated area estimates. This was done for both the 1980 - 1985, and the 1985 - 1990 period. This procedure allowed for housing supply estimates by legal city limits and by spheres of influence.

Net housing supply estimates for each county were then developed by adding unduplicated counts of new construction minus demolitions.

Appendix B

COLAB HOUSING SUPPLY QUESTIONNAIRE FOR 1980-1985

Name of Jurisdiction _____

Name of Person Responding _____

Demolition Activity

1. An analysis of your jurisdiction's records submitted to the California State Department of Finance from April 1970 to April 1980 indicated that _____ demolitions of existing housing units were recorded for that period. This was an annual average of _____ units. Do you believe that this number is correct?
Yes _____ No _____. If No, then a more representative annual average would have been _____ units.
2. What do you believe the annual average of demolitions will be for:
1980-1985 _____ 1985-1990 _____

New Construction Within Current Boundaries

3. How many housing units were constructed (i.e. final building permits issued) within your jurisdiction between April 1980 and December 31, 1981? _____
 4. Approximately how many units of residential construction currently have outstanding building permits in your jurisdiction? _____
 5. Approximately how many other new housing units might be built within your jurisdiction by April 1985? _____. (Do not include annexations).
 6. How many new housing units do you anticipate being built within your jurisdiction from 1985-1990? _____? (Do not include annexations).
 7. Are there any constraints on your jurisdiction's ability to accomodate the residential growth indicated in response to questions 4,5 and 6?
Yes _____ No _____. If Yes, please indicate why.

- Annexations
8. Has your jurisdiction annexed any already existing housing units from April 1980 to December 31, 1981?
Yes _____ No _____. If Yes, how many? _____
 9. Does your jurisdiction anticipate annexing housing units from January 1982 to March 31, 1985?
Yes _____ No _____. If Yes, how many? _____
 10. Does your jurisdiction anticipate annexing any housing units from April 1985 to April 1990?
Yes _____ No _____. If Yes, how many? _____

COLAB HOUSING SUPPLY QUESTIONNAIRE SOURCES BY JURISDICTION

Alameda County

Alameda County, Unincorporated Area: Betty Croly, Mike Munk

Alameda: Minnie Ruth

Albany: Richard Pearson, Robert Guletz

Berkeley: Mary Reynolds

Emeryville: Walter Cohen

Fremont: Carol Jansen, Herb Epstein, Nancy Fong

Hayward: Sheldon McClellan

Livermore: Howard Nies

Newark: Charles Cashmark

Oakland: Sheldon Siegal, Anu Raud

Piedmont: Scott Hachstrasser

Pleasanton: Tom Passanisi

San Leandro: Martin Vitz

Union City: Richard Arjo

Contra Costa County

Contra Costa County, Unincorporated Area: Dennis Barry, Larry Gunn, Norman Halverson

Antioch: Valentine Alexeff

Brentwood: Robert Selders

Clayton: Robert Graham

Concord: Chuck Gabrysiak

El Cerrito: Dennis Richards

Hercules: Gary Odaffer

Lafayette: Carl Anglin

Martinez: Laura Lucero

Moraga: David Baker

Pinole: Keith Freeman

Pittsburg: Jean Abraham

Pleasant Hill: Richard Bottarini

Richmond: Peter von Christiersen

San Pablo: Craig Monroe

Walnut Creek: Charlotte Flynn

LIST OF REFERENCE MATERIALS

Alameda County Planning Department, Hayward, California

General Plan for the Central Metropolitan, Eden and Washington
Planning Units - 1981

Livermore - Amador Valley Planning Unit General Plan - 1977

Association of Bay Area Governments, Berkeley, California

Housing Needs Report - 1981

Projections 79; 1979

California State Department of Finance Population Research Unit, Sacramento,
California

Population Projections for California Counties, 1975 - 2020; 1977

Second Interim Projections for California Counties, 1980 - 1990;
1980

Census Report for Counties and Cities; 1975

California State Department of Health, Sacramento, California

Live Births by California County; 1970 - 1971

Live Births by California County by Age of Mother, 1972 - 1979

California State Employment Development Department Employment Data and
Research Unit, San Francisco, California

Annual Planning Information, 1980 - 1981 for

Alameda County (excluding Berkeley and Oakland)
City of Berkeley
City of Oakland
Contra Costa County (excluding Richmond)
City of Richmond

Projections of Employment by Industry and Occupation, 1980 - 1985,
for the San Francisco - Oakland Standard Metropolitan Statistical
Area

Contra Costa County Planning Department, Martinez, California

Population Background Report for the Greater San Ramon Valley
Planning Area; 1974

San Ramon Valley General Plan, 1977

Special Census Reports, 1975

MENKIN-LUCERO & Associates, Inc., (ML&a) is a research and planning firm concentrating in Demographics, Housing Forecasts, Social Planning, Economics and Market Research. ML&a offers clients skill and experience in census preparations, population projections, housing need analysis, planning, evaluation and fiscal analysis. ML&a's special appeal is the ability to develop a unique methodology which meets the client's particular problem--whether that problem is concerned with housing needs, tax revenue analysis, or a new product--and whether that problem involves a special population within a city block, a neighborhood, or an extensive urban area. ML&a's approach, which includes use of computer simulation models and computerized geocoding, enables clients to identify, examine and analyze specific factors related to their own concern or plan and to understand how those factors interact.

ML&a's two Partners, Harlan L. Menkin and Velma T. Lucero, offer a complementary combination of skills and talent.

Harlan L. Menkin, as former Chief of Research and Program Development for the Contra Costa County Planning Department, built economic and demographic forecasting models, a local geocoding system for record matching, and a social indicator method for program planning and budgeting. Additional accomplishments have included work in cost revenue and fiscal impact areas. His further experience encompasses research planning for the Orange County Planning Department and instruction in fiscal impact, planning methods and census preparations for the University of California, California State University and the California State Office of Planning and Research. Menkin contributes expertise to ML&a in the areas of Economics, Demographics and Market Research.

Velma T. Lucero lends the firm a minority emphasis and concern through her Hispanic background and through her work with community councils and economic opportunity boards. Her role as Manager of Youth Services for the City of Oakland involved administration, planning and development of youth employment programs for the City. Additional experience in development and administration of youth and employment services for the United Way of the Bay Area, for Alameda County and for the City of Seattle have led to her appointment to the Small Business Advisory Board to the California Senate Select Committee on Small Business Enterprises. Lucero offers consulting services to ML&a clients in the areas of Program and Policy Planning, Analysis and Evaluation.

LIBRARY USE ONLY